



U.S. Department of Justice

United States Attorney
Southern District of New York

The Jacob K. Javits Federal Building
26 Federal Plaza, 37th Floor
New York, New York 10278

July 31, 2024

BY ECF

The Honorable Jennifer H. Rearden
United States District Judge
Southern District of New York
500 Pearl Street
New York, New York 10007

Re: *United States v. Arie Rangott*, S8 23 Cr. 004 (JHR)

Dear Judge Rearden:

As previewed in the Government's letter dated July 28, 2024, the Government respectfully requests that the following language describing the lawful government functions of the Office of Head Start that the Count One conspiracy was intended to obstruct be inserted at the end of the penultimate paragraph of the proposed Request No. 9:

Among other things, Head Start grantees must have in place a "governing body" with "legal and fiscal responsibility for the Head Start agency," 42 U.S.C. § 9837(c)(1)(A), comprised of members who do "not have a financial conflict of interest with the Head Start agency," *id.* § 9837(c)(1)(C). In addition, Head Start agencies are prohibited from earning *any* profit from grant proceeds or from using grant proceeds for personal gain. *See* 45 C.F.R. § 75.216(b); 45 C.F.R. § 75.445(a). Rather, the proceeds of Head Start grants must be expended in a "reasonable" manner with "reasonableness" considered by assessing, among other factors, whether the individuals concerned engaged in "arm's-length bargaining." 45 C.F.R. § 75.404.

Respectfully submitted,

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cc: Counsel of Record